

27 February 1986

MEMORANDUM FOR: Deputy Director for Intelligence
FROM: Douglas J. MacEachin
Director of Soviet Analysis
SUBJECT: Publication of JEC Authorship

Deb

1. The time is approaching to volunteer articles for the next JEC volume on the Soviet economy. We are apprehensive that CIA's current policy of prohibiting publication of both the author's name and affiliation with the Agency will substantially reduce the quantity and quality of effort contributed. This will be the first volume initiated since the enforcement of this policy. As you may recall, the articles for the China and Eastern Europe volumes were already written before the authors learned that their names could not be used. At that time, many of them vowed that they would not again write articles for the JEC without attribution.

2. We believe that there are good reasons to reconsider this policy. First, the analysts' explicit links with and standing in a coterie of experts on the outside are necessary for their own self esteem--increasingly important for recruiting high quality and academically oriented scholars. This factor, moreover, is also important to the Agency because it establishes relationships that can be tapped to enhance our analysis. Second, attribution only to an unnamed CIA officer tends to give the distinct impression that the views expressed are Agency policy. This is in sharp contrast with past volumes that carried the author's name and also the caveat that "the views expressed are those of the individual contributors and do not necessarily represent the position of their respective governments...."

3. There will continue to be some cases in which attribution is not advisable--for example, where open identification with the Agency would jeopardize future assignments or where it might prove a threat to personal safety. We would take care to deal with each case individually. Still, in most cases, we believe that the analyst should be allowed to publicly identify his or her affiliation as a matter of individual choice. We do not believe that this is substantially different from such identification as a conference participant or attendee.

Douglas J. MacEachin
Douglas J. MacEachin

*Why did we
move to no
identification -
live for it*



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MEMORANDUM FOR THE RECORD

SUBJECT: Follow-up on Memorandum to DDI on "Publication of JEC Authorship" (dated 27 February 1986)^{a)}

1. The DDI agreed with D/SOVA's proposal to return to the earlier policy of giving individual DDI authors a choice as to whether they will be given attribution for articles published in the separate series of JEC volumes on the USSR, Eastern Europe and PRC economies. At the behest of the DDI, we advised D/EURA, D/EURA elect [redacted] and D/OEA of the revised policy and solicited their views on specific procedures. The three Office Directors and [redacted] agreed to the following procedures:

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a. If an analyst chooses to be identified as the author, his name and Agency affiliation will be specified along with the caveat "the views expressed are those of the individual contributors and do not necessarily represent the position of the Agency." b)

b. In those cases where attribution is not advisable the individual will be permitted to indicate that the article was prepared "By an Analyst of the Central Intelligence Agency." c)

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[redacted signature box]

Deputy Director of Soviet Analysis

a) See Attachments
b) This was not done for the PRC volume } Added AS of
(see Attachment) } 12/18/86
c) See example for EE volume Attached.

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Attachment B

99th Congress
2d Session

JOINT COMMITTEE PRINT

S. Prt.
99-88, Vol. 3

EAST EUROPEAN ECONOMIES: SLOW
GROWTH IN THE 1980'S

VOLUME 3. COUNTRY STUDIES ON EASTERN EUROPE
AND YUGOSLAVIA

SELECTED PAPERS

SUBMITTED TO THE

JOINT ECONOMIC COMMITTEE
CONGRESS OF THE UNITED STATES



MARCH 28, 1986

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POLISH AGRICULTURE: POLICY AND PROSPECTS

By an Analyst of the Central Intelligence Agency

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SUMMARY

The agricultural sector has always been of great importance to the Polish economy, contributing an average of 25 percent of national income and employing an average of one-third of the total labor force during the last three decades. Until the early 1970s, however, the sector generally was neglected by successive Communist regimes because of the push for industrial development and ideological reluctance to support private sector farmers (who in 1970 tilled 80 percent of the land under cultivation). A major policy change occurred in 1971, when the Gierek regime—eager to placate disgruntled consumers—tried to boost output in the agricultural sector by increasing farmers' incentives. Helped by good weather, Warsaw succeeded in increasing output in the period 1971-1974. The farming boom faltered after 1974 because of poor weather and because the regime again slighted the development of agriculture and slipped back into traditional habits of discriminating against the private farmer.

Throughout the 1970s the government implemented policies to boost consumption of food items and maintain low retail prices even though domestic production stagnated later in the decade. Domestic food supplies were supplemented by agricultural imports from the West financed on credit, as well as by cuts in food exports. By the end of 1981, the hard currency deficit in the agricultural-food trade account was almost \$2 billion.

Since December 1981, the regime has had to cut agricultural imports drastically because of its financial problems and has tried to adjust by increasing production and government procurement and restricting consumer demand. While crop output generally has been average or above average because of good weather, livestock production has declined because of cuts in Western feed imports. In 1983, the government procured sufficient amounts of grain to cover human needs, but livestock procurements dropped. Meanwhile, budget subsidies for food fell in 1982 but rose in 1983 because retail prices did not rise enough to cover the increased prices the regime

(450)

ing in 1983 to unplanned purchase diversion to domestic markets export.

By 1990, Poland plans moderate consumption and balanced agricultural. Warsaw claims that it will increase boost economic incentives to private and other food and agricultural. The government so far has not. The regime has already cut the sector from originally planned. ment prices enough to keep a higher taxes on private farmers. efforts to placate consumers led to some agricultural imports in 19

I. AGRICULTURAL PERFORMANCE

During the early 1970s, Gierk farmers by increasing purchase ing land taxes, abolishing comp private farmers national health Gierk's efforts—together with short-lived agricultural boom t postwar development. Between production increased by 4.7 per by an average of 9.0 percent a and hogs by 12.6 percent (Table such as milk, vegetables, and f

Attachment C

99th Congress
2d Session

JOINT COMMITTEE PRINT

S. Prt. 99-149,
Vol. 2

CHINA'S ECONOMY LOOKS TOWARD THE YEAR 2000

VOLUME 2. ECONOMIC OPENNESS IN MODERNIZING
CHINA

SELECTED PAPERS

SUBMITTED TO THE

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CHINA: ENERGY AND ECONOMIC GROWTH

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OVERVIEW

China, in the past six years, has made exceptional progress in improving the efficiency with which its economy uses energy. This has allowed fairly rapid economic growth and a large increase in energy exports despite erratic growth in the production of energy. Unlike most countries, China has done this without sharp increases in energy prices.

Energy conservation has not come without costs, however. Use of capital equipment is down sharply because of fuel and electricity shortages. Some indexes of economic progress, such as the share of farmland plowed mechanically, have actually declined. Moreover, in terms of energy consumption, China's vast rural population remains one of the most impoverished in the world.

Pressures upon China's energy supplies caused by economic growth are likely to increase through the rest of the 1980s:

Offshore oil production may not be available soon enough to offset an expected decline in production from the country's large but mature onshore oilfields—especially Daqing.

Coal, because it is being counted on to substitute for oil wherever possible, will be hard pressed to provide the energy needed to fuel economic growth.

Electricity shortages, caused by insufficient investment in recent years and surging demand, may be the most critical short-term bottleneck to economic growth.

*Office of East Asian Analysis, Central Intelligence Agency.

Beijing is currently facing a host of energy policy that have long-term economic growth pattern. Two important are whether to reduce oil exports—20 percent of foreign exchange earnings—and how to that is needed to raise domestic energy.

The government's strong control on energy placed on energy conservation should increase at a modest 4- or 5-percent in the 1980s—slower than in the past but planned by Beijing. The much faster growth in the 1990s is unlikely to be achieved without undue strain on both energy production and consumption.

A key decision made in 1978 to forgo the sector and bring in foreign investment and special opportunities for US energy companies to expand and help to strengthen production in other countries.

The depth of such cooperation—among other things to meet its energy requirements—is critical. Discoveries being made in China's offshore oil deposits are not found—and so far the country may have to decide between a great expense to the country's international relations returning to the more self-reliant approach of the past.

INTRODUCTION

Six years ago China sharply reduced energy production—particularly coal—to address a problem of energy shortages. This was seen as an obstacle to economic growth and was an important factor behind the "readjustment" of 1979, when it became clear that growth led by heavy industry—with its heavy energy resources—could prove disastrous.

Beijing's economic "readjustment" addressed the energy problem on three fronts. First, it cut the country's wasteful energy consumption by closing inefficient plants, and political considerations and a lack of funds have prevented China from raising energy prices, the single most effective measure to reduce energy consumption. Nevertheless, energy consumption increased between 1978 and 1983 while industrial production fell 10 percent. In the first three decades of the People's Republic, energy consumption rose at a faster rate than population.

Secondly, China has tried to correct the energy problem by developing industries to meet short-term production needs and developing the resource base. Higher priority has been given to exploration and infrastructure, but this has probably not been completely successful.